

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6023

BILL NUMBER: HB 1119

NOTE PREPARED: Nov 4, 2002

BILL AMENDED:

SUBJECT: Alcoholic Beverage Permit Fees.

FIRST AUTHOR: Rep. Grubb

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill reduces the advance cost fee for the transfer of an alcoholic beverage permit from \$250 to \$100 beginning July 1, 2003, and increases the fee from \$100 to \$250 over a four-year period.

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues: This bill will reduce the General Fund revenue received from the transfer of an alcoholic beverage permit between persons or locations. The bill reduces the current transfer fee from \$250 to \$100 in FY 2004. After FY 2004, the provision increases the fee \$50 each year until FY 2007. Beginning in FY 2007, the fee will remain at \$250. The Alcohol and Tobacco Commission (ATC) reports that this provision will impact the approximately 150 transfers each year. The yearly impacts of this provision on the state General Fund are shown in the table below.

**State General Fund Impacts of the Proposed Changes in the ATC Permit Transfer Fee
(FY 2004-FY 2007)**

Fiscal Year	Proposed Rate	Revenue at Proposed Rate	Current Rate	Revenue at Current Rate	Reduction in General Fund Revenue
FY 2004	\$100	\$15,000	\$250	\$37,500	(\$22,500)
FY 2005	150	22,500	250	37,500	(15,000)
FY 2006	200	30,000	250	37,500	(7,500)
FY 2007	250	37,500	250	37,500	-0-

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected:

Information Sources: Don Okey, Alcohol and Tobacco Commission, 232-2463

Fiscal Analyst: John Parkey, 232-9854